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Work Permit for Foreigners to be Employed in Turkish Free-trade Zones

Introduction

The Regulation on Work Permits for Foreigners to be Employed in Free-trade Zones ("the Regulation") has been published in the Official Gazette No. 30078 on May 27, 2017. The Regulation provides the procedures regarding the work permit for foreigners who will work in free-trade zones.

Free-Trade Zones

The term and the scope of the free-trade zone ("FTZ") are defined in Article 6 of the Free Zones Act (Law No. 3218). Accordingly, FTZs can be defined as zones that are located within the political borders of a country but not within the customs borders. More than 1000 FTZs operate in 120 countries around the world. As of January 2022, 21 FTZs have been operating across Turkey.^{*}

Application Process

Work permit application (and its extension) for a foreigner who has been legally residing in Turkey is filed by the employer to the relevant Free Zone Directorate. The Free Zone Directorate forwards the application to the Ministry of Trade for assessment.

^{*} You can access our article about setting up a business in Turkish FTZs by clicking on <u>here</u>.

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In addition, the foreigner can apply to the Turkish Consulates in the country of his/her residence. Copies of the documents submitted to the Turkish Consulate is also forwarded to the relevant Free Zone Directorate by the employer with a petition stating that the application is made to the Turkish Consulate. In the petition, it is mandatory to include the reference number given by the Turkish Consulate. Free Zone Directorate forwards the application to the Ministry of Trade for assessment.

Foreigners who are deemed qualified for a work permit upon favourable assessment of the Ministry of Trade shall be notified to the Ministry of Labour and Social Services (i.e. the competent authority to issue work permits).

Assessment

The assessment criteria applicable to FTZ companies are different than that of mainland companies. Most notably, unlike the mainland companies, FTZ companies are not required to employ 5 Turkish citizens for each foreigner to be employed.

The foreigner to be employed by an FTZ company must be in 2 managerial position or high-gualified personnel. In principle, the proficiency of the applicant must be documented with a diploma. In case the applicant does not have a diploma, it is mandatory to submit certificates or references from the previous employers of the applicant. However, if the applicant is the shareholder of the FTZ company, a diploma or similar proficiency documents are not required.

Furthermore, whether the company has actually recruited the projected number of Turkish employees as stated at the FTZ license application stage is also taken into consideration in the assessment.

In addition, the justification for employing foreign personnel instead of Turkish citizens must be clearly provided. Similarly, the company must provide justification in case it wishes to employ more than the projected number of foreigners stated at the FTZ license application stage.

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Extension

The maximum duration of work permit is one year at the first application. Extension applications should be made in the last 60 days before the expiry date of the work permit. A maximum of 2 years in the first application for the extension, and a maximum of 3 years in subsequent extensions can be granted.

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